

FISCAL IMPACT STATEMENT ON BILL NO. ***H. 4900, as Amended***

(Doc. No. 5454cm08.doc)

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TO:	The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	R.J. Stein, Torina Wood, Beth Quick		
DATE:	May 13, 2008	SBD:	2008270

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AUTHOR:	Representative Cato	PRIMARY CODE CITE:	23-51-10
SUBJECT:	Reduced Cigarette Ignition Propensity Standards and Firefighter Protection Act		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:  
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:  
A Cost to Federal and/or Other Funds (See Below)

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**BILL SUMMARY:**

House Bill 4900, as amended, amends Title 23 of the Code of Laws of South Carolina, 1976, by adding Chapter 51 relating to the sale of cigarettes. The Bill provides that cigarettes may not be sold in this State unless they have been tested in accordance with specified criteria, meet specified standards and have been marked to indicate the testing methods and performance standards that have been met. The Bill provides for regulations to be promulgated by the State Fire Marshall, for penalties and enforcement.

**EXPLANATION OF IMPACT:**

Department of Labor, Licensing and Regulation

The Bill requires the State Fire Marshall to administer and enforce a cigarette certification program to insure that cigarette papers do not exhibit full-length burn. The Bill imposes a \$250 certification fee on each style of cigarette sold in the State, and authorizes the State Fire Marshall to annually adjust fees to ensure that the cost of this program is completely offset by these fees, fines and other funds made available. There is no impact on the State General Fund.

Attorney General's Office

The Bill authorizes the State Fire Marshall and the Attorney General to file actions in circuit court for violations of this Chapter. The Attorney General's Office reports that, depending on the number of cases that may be filed, it would require 2.00 new FTEs for an Attorney and an Administrative Assistant at an annual cost to the General Fund of \$115,485 for salary, fringe and other operating expenses.

Department of Revenue

The Bill authorizes the Department to inspect cigarettes and records for compliance. The Department reports that the provisions of this Bill would have no fiscal impact on the State General Fund or on Federal and/or Other Funds.

State Treasurer's Office

The Bill establishes a Special Fund within the Office known as the Reduced Cigarette Ignition Propensity Standards and Firefighter Protection Act Enforcement Fund. The Treasurer's Office reports this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds.

Recapitulation

Costs to the Department of Labor Licensing and Regulation for implementation of this Bill would be covered with other funds revenue (from fees). Any potential impact on the General Fund of the State depends on the number of court cases that would require staffing by the Attorney General's Office.

**LOCAL GOVERNMENT IMPACT:**

None.

**SPECIAL NOTES:**

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this Bill.

Approved by:

A handwritten signature in black ink that reads "Harry Bell". The signature is written in a cursive, flowing style.

Harry Bell  
Assistant Director, Office of State Budget